

**Texas Department of Insurance**  
**Notice of Workers Compensation Filing:**  
**National Council on Compensation Insurance *Item B-1433***

**Description:**

- The National Council on Compensation Insurance (NCCI) filed *Item B-1433—Revisions to Manual Rule 1—Classification Assignment and Rule 2—Premium Basis and Payroll Allocation* to clarify and enhance both rules.
- This item proposes changes to NCCI's *Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)* Rule 1 - Classification Assignment; and Rule 2 - Premium Basis and Payroll Allocation. For Texas, *Item B-1433* includes proposals that would:
  - Amend Rules 1-B-2-c, 1-B-5, and 1-D-5 to clarify the rules' application.
  - Amend Rules 1-B-3 and 1-B-4 to add common operations.
  - Clarify and refine language in Rules 1-C-1, 1-C-2, 1-D-3-f, and 1-D-6.
  - Amend Rule 1-C-2-j by deleting the Texas Exception Rule definition of "Stories in Height" and replacing it with NCCI's Rule definition for "Stories in Height."
  - Amend the exceptions to Rules 1-F-3-b and 2-A.
  - Amend Rule 2-B to clarify its definitions and application; and to update what is included in payroll.
  - Amend Rules 2-D and 2-E to clarify their application and to address the effects of various situations on payroll.
  - Make a number of formatting and grammatical changes for clarity.

**Affected NCCI Manuals:**

- *Basic Manual for Workers Compensation and Employers Liability Insurance*

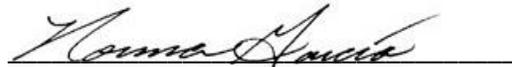
**Requested Effective Date:** The filing proposes that the changes in *Item B-1433* apply to new and renewal workers' compensation policies effective on and after October 1, 2017.

**Review and Comment:**

- TDI prepared this notice. You may review a copy of NCCI's filing in the Office of the Chief Clerk of the Texas Department of Insurance, 333 Guadalupe Street, Austin, Texas 78701; or on the TDI website at [www.tdi.texas.gov/rules/2016/nccimanual.html](http://www.tdi.texas.gov/rules/2016/nccimanual.html) during the comment period.
- To comment on the filing or to request a hearing, submit two copies of your comments or hearing request by 5 p.m., Central time, on February 6, 2017. Refer to TDI ECase No. 11699.
  - Send one copy to [ChiefClerk@tdi.texas.gov](mailto:ChiefClerk@tdi.texas.gov) or to the Office of the Chief Clerk, Mail Code 113-2A, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104.
  - Send the other copy to [CommercialPC@tdi.texas.gov](mailto:CommercialPC@tdi.texas.gov), or to Marianne Baker, Director, Property and Casualty Lines Office, Mail Code 104-PC, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104.

**Procedure:** NCCI filed *Item B-1433* (TDI ECase No. 11699; SERFF Tracking No. NCCI-130670465) with the Texas Department of Insurance on August 9, 2016, under the workers' compensation manual rule filing procedure adopted in Commissioner's Order No. 3142, dated March 21, 2014.

Issued in Austin, Texas on January 3, 2017.



Norma Garcia, General Counsel  
Texas Department of Insurance